

Hearing Date and Time: February 24, 2009 at 10:00 a.m. (prevailing Eastern Time)
Objection Deadline: February 17, 2009 at 4:00 p.m. (prevailing Eastern Time)

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Salaried Employee of Delphi Corporation
Debtors and Debtors-in-Possession

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re : Chapter 11
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DELPHI CORPORATION, et al., : Case No. 05-44481 (RDD)
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Debtors. : (Jointly Administered)
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LETTER TO CONTEST DELPHI'S MOTION FOR ORDER UNDER 11 U.S.C. §§ 105, 363(b)(1), AND 1108 CONFIRMING DEBTORS' AUTHORITY TO TERMINATE EMPLOYER-PAID POSTREIRETIREMENT HEALTH CARE BENEFITS AND EMPLOYER-PAID POST-RETIREMENT LIFE INSURANCE BENEFITS FOR CERTAIN (A) SALARIED EMPLOYEES AND (B) RETIREES AND THEIR SURVIVING SPOUSES ("SALARIED OPEB TERMINATION MOTION")

PRELIMINARY STATEMENT

I am a retired Delphi employee. I reluctantly retired in January of 2004 after 34 years with GM/AC Delco Systems and then Delphi because the local plants were being closed. As the court knows, Delphi Corp. filed a motion with the U.S. Bankruptcy Court to discontinue healthcare and life insurance coverage for retirees. The notice also stated my Retiree Health Reimbursement Account (RHRA) would be eliminated. This account was established as part of

the “deal” a couple of years ago when Delphi terminated health insurance coverage for retirees once they reach 65 years of age.

I am contesting this motion for the following reasons:

- 1) Delphi uses the word “hardship” to describe this proposal’s effect on us. That is a gross understatement. The effect will be DEVASTATING. People such as myself who were hired in the 60’s, 70’s or 80’s were told by the company that we would receive health care coverage in retirement and now have no way of providing ourselves and families with health care coverage. My current net pension payment is \$2586.15 per month. To maintain my current benefits, it will cost \$1500+ per month. My 401K value has dropped 30%+ in the last year. If I am forced to pay for my benefits, there is a good chance that I will end up on welfare before I die.
- 2) The obligation Delphi has to provide health care coverage for retirees is time limited. Coverage for retirees is stopped when they reach age 65. And, retirees hired after 1992 do not receive health care coverage in retirement.
- 3) After General Motors (GM) spun off Delphi, GM used high pressure, if not illegal tactics to force Delphi to sell some parts at a loss. For example, Delphi was losing money on a DIS (Direct Ignition System) module. GM insisted that Delphi continue to sell it at a loss or GM would quit buying another component that Delphi was making more money on. These tactics undoubtedly contributed to Delphi’s financial demise. Now Delphi is attempting to eliminate its Salaried OPEB costs apparently to make some of its plants more attractive for GM to buy back. There is speculation that this was GM’s and possibly Delphi’s plan all along. Delphi’s salaried employees should not be forced to pay the price for these immoral if not illegal tactics.

- 4) There is a terrible inequity in the sacrifices being made by and asked to be made by Delphi's executives, their regular salaried work force and their hourly work force.

SUMMARY

I am a retired engineer who hired into the company under GM and have dedicated my working career to making GM and then Delphi the best company I could. I was forced to sacrifice extra hours of my own time at no additional pay, make extra trips to the plant at all hours of the day and night, cancel vacations, and passed up opportunities over the years to work in other industries for other companies. I did these things out of loyalty to my company and the expectation that I was earning a comfortable retirement in the future

I understand the extraordinary difficult economic times that the company, as well as the automotive industry faces. However, I question the accuracy of the financial picture being presented and the accuracy of the causes that Delphi assigns to them. There is also a terrible inequity in the sacrifices being asked of the various categories of employees.

I appreciate the court taking the time to consider my argument and respectfully ask that you issue an order not allowing Delphi to terminate our salaried benefits.

Dated: Anderson, Indiana
 February 12, 2009

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